

The Companies (Meetings of Board and its Powers) Rules, 2014

MINISTRY OF CORPORATE AFFAIRS

NOTIFICATION

New Delhi, the 31st March, 2014

[Amended upto date¹]

G.S.R. 240 (E).—In exercise of powers conferred under sections [173](#), [175](#), [177](#), [178](#), [179](#), [184](#), [185](#), [186](#), [187](#), [188](#), [189](#) and [section 191](#) read with [section 469](#) of the Companies Act, 2013 and in supersession of the Companies (Central Government's) General Rules and Forms, 1956 or any other Rules prescribed under the Companies Act, 1956 on matters covered under these rules, except as respects things done or omitted to be done before such suppression, the Central Government hereby makes the following rules, namely:—

1. (1) Short title and commencement.— (1) These rules may be called the Companies (Meetings of Board and its Powers) Rules, 2014.

(2) They shall come into force on the 1st day of April, 2014.

2. Definitions.—(1) In these rules, unless the context otherwise requires,—

(a) “**Act**” means the Companies Act, 2013;

(b) “**Annexure**” means the Annexure appended to these rules;

(c) “**Fees**” means the fees as specified in the Companies (Registration Offices and Fees) Rules, 2014;

(d) “**Form**” or “**e-Form**” means a form set forth in Annexure to these rules which shall be used for the matter to which it relates;

(e) “**section**” means the section of the Act.

(2) Words and expressions used in these rules but not defined and defined in the Act or in the Companies (Specification of Definitions Details) Rules, 2014, shall have the same meanings respectively assigned to them in the Act or in the said Rules.

3. Meetings of Board through video conferencing or other audio visual means.— A company shall comply with the following procedure, for convening and conducting the Board meetings through video conferencing or other audio visual means.

(1) Every Company shall make necessary arrangements to avoid failure of video or audio visual connection.

(2) The Chairperson of the meeting and the company secretary, if any, shall take due and reasonable care-

(a) to safeguard the integrity of the meeting by ensuring sufficient security and identification procedures;

(b) to ensure availability of proper video conferencing or other audio visual equipment or facilities for providing transmission of the communications for effective participation of the directors and other authorised participants at the Board meeting;

(c) to record proceedings and prepare the minutes of the meeting;

(d) to store for safekeeping and marking the tape recording(s) or other electronic recording mechanism as part of the records of the company at least before the time of completion of audit of that particular year;

(e) to ensure that no person other than the concerned director are attending or have access to the proceedings of the meeting through video conferencing mode or other audio visual means; and

(f) to ensure that participants attending the meeting through audio visual means are able to hear and see the other participants clearly during the course of the meeting;

Provided that the persons, who are differently abled, may make request to the Board to allow a person to accompany him.

(3) (a) The notice of the meeting shall be sent to all the directors in accordance with the provisions of sub-section (3) of [section 173](#) of the Act.

(b) The notice of the meeting shall inform the directors regarding the option available to them to participate through video conferencing mode or other audio visual means, and shall provide all the necessary information to enable the directors to participate through video conferencing mode or other audio visual means.

(c) A director intending to participate through video conferencing or audio visual means shall communicate his intention to the Chairperson or the company secretary of the company.

(d) If the director intends to participate through video conferencing or other audio visual means, he shall give prior intimation to that effect sufficiently in advance so that company is able to make suitable arrangements in this behalf.

²[(e) Any director who intends to participate in the meeting through electronic mode may intimate about such participation at the beginning of the calendar year and such declaration shall be valid for one year:

Provided that such declaration shall not debar him from participation in the meeting in person in which case he shall intimate the company sufficiently in advance of his intention to participate in person.]

(f) In the absence of any intimation under clause (c), it shall be assumed that the director shall attend the meeting in person.

(4) At the commencement of the meeting, a roll call shall be taken by the Chairperson when every director participating through video conferencing or other audio visual means shall state, for the record, the following namely:-

(a) name;

(b) the location from where he is participating;

(c) that he has received the agenda and all the relevant material for the meeting; and

(d) that no one other than the concerned director is attending or having access to the proceedings of the meeting at the location mentioned in clause (b);

(5) (a) After the roll call, the Chairperson or the Company Secretary shall inform the Board about the names of persons other than the directors who are present for the said meeting at the request or with the permission of the Chairperson and confirm that the required quorum is complete.

Explanation.- A director participating in a meeting through video conferencing or other audio visual means shall be counted for the purpose of quorum, unless he is to be excluded for any items of business under any provisions of the Act or the rules.

(b) The Chairperson shall ensure that the required quorum is present throughout the meeting.

(6) With respect to every meeting conducted through video conferencing or other audio visual means authorised under these rules, the scheduled venue of the meeting as set forth in the notice convening the meeting³[**] shall be deemed to be the place of the said meeting and all recordings of the proceedings at the meeting shall be deemed to be made at such place.

(7) The statutory registers which are required to be placed in the Board meeting as per the provisions of the Act shall be placed at the scheduled venue of the meeting and where such registers are required to be signed by the directors, the same shall be deemed to have been signed by the directors participating through electronic mode, if they have given their consent to this effect and it is so recorded in the minutes of the meeting.

(8) (a) Every participant shall identify himself for the record before speaking on any item of business on the agenda.

(b) If a statement of a director in the meeting through video conferencing or other audio visual means is interrupted or garbled, the Chairperson or Company Secretary shall request for a repeat or reiteration by the Director.

(9) If a motion is objected to and there is a need to put it to vote, the Chairperson shall call the roll and note the vote of each director who shall identify himself while casting his vote.

(10) From the commencement of the meeting and until the conclusion of such meeting, no person other than the Chairperson, Directors, Company Secretary and any other person whose presence is required by the Board shall be allowed access to the place where any director is attending the meeting either physically or through video conferencing without the permission of the Board.

(11) (a) At the end of discussion on each agenda item, the Chairperson of the meeting shall announce the summary of the decision taken on such item along with names of the directors, if any, who dissented from the decision taken by majority⁴[and the draft minutes so recorded shall be preserved by the company till the confirmation of the draft minutes in accordance with sub-rule (12)].

(b) The minutes shall disclose the particulars of the directors who attended the meeting through video conferencing or other audio visual means.

(12) (a) The draft minutes of the meeting shall be circulated among all the directors within fifteen days of the meeting either in writing or in electronic mode as may be decided by the Board.

(b) Every director who attended the meeting, whether personally or through video conferencing or other audio visual means, shall confirm or give his comments in writing, about the accuracy of recording of the proceedings of that particular meeting in the draft minutes, within seven days or some reasonable time as decided by the Board, after receipt of the draft minutes failing which his approval shall be presumed.

(c) After completion of the meeting, the minutes shall be entered in the minute book as specified under [section](#) 118 of the Act and signed by the Chairperson.

Explanation.-For the purposes of this rule, “video conferencing or other audio visual means” means audio- visual electronic communication facility employed which enables all the persons participating in a meeting to communicate concurrently with each other without an intermediary and to participate effectively in the meeting.

4. ⁵[***]

5. Passing of resolution by circulation.– A resolution in draft form may be circulated to the directors together with the necessary papers for seeking their approval, by electronic means which may include E-mail or fax.

⁶[**6. Committees of the Board.** – The Board of directors of ⁷[every listed public company] and a company covered under rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 shall constitute an ‘Audit Committee’ and a ‘Nomination and Remuneration Committee of the Board’.]

⁸[**6A. Omnibus approval for related party transactions on annual basis.**– All related party transactions shall require approval of the Audit Committee and the Audit Committee may make omnibus approval for related party transactions proposed to be entered into by the company subject to the following conditions, namely:-

(1) The Audit Committee shall, after obtaining approval of the Board of Directors, specify the criteria for making the omnibus approval which shall include the following, namely:-

(a) maximum value of the transactions, in aggregate, which can be allowed under the omnibus route in a year;

(b) the maximum value per transaction which can be allowed;

(c) extent and manner of disclosures to be made to the Audit Committee at the time of seeking omnibus approval;

(d) review, at such intervals as the Audit Committee may deem fit, related party transaction entered into by the company pursuant to each of the omnibus approval made;

(e) transactions which cannot be subject to the omnibus approval by the Audit Committee.

(2) The Audit Committee shall consider the following factors while specifying the criteria for making omnibus approval, namely: –

(a) repetitiveness of the transactions (in past or in future);

(b) justification for the need of omnibus approval.

(3) The Audit Committee shall satisfy itself on the need for omnibus approval for transactions of repetitive nature and that such approval is in the interest of the company.

(4) The omnibus approval shall contain or indicate the following: –

(a) name of the related parties;

(b) nature and duration of the transaction;

(c) maximum amount of transaction that can be entered into;

(d) the indicative base price or current contracted price and the formula for variation in the price, if any; and

(e) any other information relevant or important for the Audit Committee to take a decision on the proposed transaction:

Provided that where the need for related party transaction cannot be foreseen and aforesaid details are not available, audit committee may make omnibus approval for such transactions subject to their value not exceeding rupees one crore per transaction.

(5) Omnibus approval shall be valid for a period not exceeding one financial year and shall require fresh approval after the expiry of such financial year.

(6) Omnibus approval shall not be made for transactions in respect of selling or

disposing of the undertaking of the company.

(7) Any other conditions as the Audit Committee may deem fit.]

7. Establishment of vigil mechanism.-(1) Every listed company and the companies belonging to the following class or classes shall establish a vigil mechanism for their directors and employees to report their genuine concerns or grievances-

(a) the Companies which accept deposits from the public;

(b) the Companies which have borrowed money from banks and public financial institutions in excess of fifty crore rupees.

(2) The companies which are required to constitute an audit committee shall oversee the vigil mechanism through the committee and if any of the members of the committee have a conflict of interest in a given case, they should recuse themselves and the others on the committee would deal with the matter on hand.

(3) In case of other companies, the Board of directors shall nominate a director to play the role of audit committee for the purpose of vigil mechanism to whom other directors and employees may report their concerns.

(4) The vigil mechanism shall provide for adequate safeguards against victimisation of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee or the director nominated to play the role of Audit Committee, as the case may be, in exceptional cases.

(5) In case of repeated frivolous complaints being filed by a director or an employee, the audit committee or the director nominated to play the role of audit committee may take suitable action against the concerned director or employee including reprimand.

8. Powers of Board.-In addition to the powers specified under sub-section (3) of [section 179](#) of the Act, the following powers shall also be exercised by the Board of Directors only by means of resolutions passed at meetings of the Board.-

(1) to make political contributions;

(2) to appoint or remove key managerial personnel (KMP);

⁹[***]

(4) to appoint internal auditors and secretarial auditor;

¹⁰[***]

9. Disclosures by a director of his interest.-(1) Every director shall disclose his concern or interest in any company or companies or bodies corporate (including shareholding interest), firms or other association of individuals, by giving a notice in writing in Form MBP 1.

(2) It shall be the duty of the director giving notice of interest to cause it to be disclosed at the meeting held immediately after the date of the notice.

(3) All notices shall be kept at the registered office and such notices shall be preserved for a period of eight years from the end of the financial year to which it relates and shall be kept in the custody of the company secretary of the company or any other person authorised by the Board for the purpose.

¹¹[Rule 10 omitted]

11. Loan and investment by a company under section 186 of the Act.– (1) Where a loan or guarantee is given or where a security has been provided by a company to its wholly owned subsidiary company or a joint venture company, or acquisition is made by a holding company, by way of subscription, purchase or otherwise of, the securities of its wholly owned subsidiary company, the requirement of sub-section (3) of [section 186](#) shall not apply:

Provided that the company shall disclose the details of such loans or guarantee or security or acquisition in the financial statement as provided under sub-section (4) of [section 186](#).

¹²[(2) For the purposes of clause (a) of sub-section (11) of section 186 of the Act, the expression “business of financing industrial enterprises” shall include–

(i) with regard to a Non-Banking Financial Company registered with the Reserve Bank of India, “business of giving of any loan to a person or providing any guaranty or security for due repayment of any loan availed by any person in the ordinary course of its business”; and

(ii) with regard to a Finance Company registered with the International Financial Services Centres Authority, “activities as provided in sub-clause (a), or sub-clause (e) of clause (ii) of sub-regulation (1) of regulation 5 of the International Financial Services Centres Authority (Finance Company)

Regulations, 2021 in the ordinary course of its business”.

(3) No company registered under section 12 of the Securities and Exchange Board of India Act, 1992 and also covered under such class or classes of companies which may be notified by the Central Government in consultation with the Securities and Exchange Board, shall take any inter-corporate loan or deposits, in excess of the limits specified under the regulations applicable to such company, pursuant to which it has obtained certificate of registration from the Securities and Exchange Board of India.

12. Register.- (1) Every company giving loan or giving guarantee or providing security or making an acquisition of securities shall, from the date of its incorporation, maintain a register in Form MBP 2 and enter therein separately, the particulars of loans and guarantees given, securities provided and acquisitions made as aforesaid.

(2) The entries in the register shall be made chronologically in respect of each such transaction within seven days of making such loan or giving guarantee or providing security or making acquisition.

(3) The register shall be kept at the registered office of the company and the register shall be preserved permanently and shall be kept in the custody of the company secretary of the company or any other person authorised by the Board for the purpose.

(4) The entries in the register (either manual or electronic) shall be authenticated by the company secretary of the company or by any other person authorised by the Board for the purpose.

(5) For the purpose of sub-rule (4), the register can be maintained either manually or in electronic mode.

(6) The extracts from the register maintained under sub-section (9) of [section 186](#) may be furnished to any member of the company on payment of such fee as may be prescribed in the Articles of the company which shall not exceed ten rupees for each page.

¹³**[13. Special Resolution.-** A resolution passed at a general meeting in terms of sub-section (3) of [section 186](#) to give any loan or guarantee or investment or providing any security or the acquisition under sub-section (2) of [section 186](#) shall specify the total amount up to which the Board of Directors are authorised to give such loan or guarantee, to provide such security or make such acquisition:

Provided that the company shall disclose to the members in the financial statement the full particulars in accordance with the provisions of sub-section (4) of [section 186](#).]

14. Investments of company to be held in its own name.– (1) Every company shall, from the date of its registration, maintain a register in Form MBP3 and enter therein, chronologically, the particulars of investments in shares or other securities beneficially held by the company but which are not held in its own name and the company shall also record the reasons for not holding the investments in its own name and the relationship or contract under which the investment is held in the name of any other person.

(2) The company shall also record whether such investments are held in a third party's name for the time being or otherwise.

(3) The register shall be maintained at the registered office of the company. The register shall be preserved permanently and shall be kept in the custody of the company secretary of the company or if there is no company secretary, any director or any other officer authorised by the Board for the purpose.

(4) The entries in the register shall be authenticated by the company secretary of the company or by any other person authorised by the Board for the purpose.

15. Contract or arrangement with a related party.–A company shall enter into any contract or arrangement with a related party subject to the following conditions, namely:-

(1) The agenda of the Board meeting at which the resolution is proposed to be moved shall disclose-

(a) the name of the related party and nature of relationship;

(b) the nature, duration of the contract and particulars of the contract or arrangement;

(c) the material terms of the contract or arrangement including the value, if any;

(d) any advance paid or received for the contract or arrangement, if any;

(e) the manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract;

(f) whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors; and

(g) any other information relevant or important for the Board to take a decision on the proposed transaction.

(2) Where any director is interested in any contract or arrangement with a related party, such director shall not be present at the meeting during discussions on the subject matter of the resolution relating to such contract or arrangement-

¹⁴[(3) For the purposes of first proviso to sub-section (1) of [section 188](#), except with the prior approval of the company by a ¹⁵[resolution], a company shall not enter into a transaction or transactions, where the transaction or transactions to be entered into,—

(a) as contracts or arrangements with respect to clauses (a) to (e) of sub-section (1) of [section 188](#), with criteria as mentioned below –

(i) sale, purchase or supply of any goods or materials, directly or through appointment of agent, ¹⁶[amounting to ten per cent. or more] of the turnover of the company ¹⁷[**], as mentioned in clause (a) and clause (e) respectively of sub-section (1) of [section 188](#);

(ii) selling or otherwise disposing of or buying property of any kind, directly or through appointment of agent, ¹⁸[amounting to ten per cent. or more] of net worth of the company ¹⁷[**], as mentioned in clause (b) and clause (e) respectively of sub-section (1) of [section 188](#);

(iii) leasing of property of any kind ¹⁹²⁰[amounting to ten per cent or more of the turnover of the company], as mentioned in clause (c) of sub-section (1) of [section 188](#);

(iv) availing or rendering of any services, directly or through appointment of agent, ¹⁸[amounting to ten per cent. or more] of the turnover of the company ²¹[**], as mentioned in clause (d) and clause (e) respectively of sub-section (1) of [section 188](#);

Explanation.—It is hereby clarified that the limits specified in sub-clauses (i) to (iv) shall apply for transaction or transactions to be entered into either individually or taken together with the previous transactions during a financial year.

(b) is for appointment to any office or place of profit in the company, its subsidiary company or associate company at a monthly remuneration exceeding two and half lakh rupees as mentioned in clause (f) of sub-section (1) of [section 188](#); or

(c) is for remuneration for underwriting the subscription of any securities or derivatives thereof, of the company exceeding one per cent. of the net worth as mentioned in clause (g) of sub-section (1) of [section 188](#).

Explanation.— (1) The Turnover or Net Worth referred in the above sub-rules shall be computed on the basis of the Audited Financial Statement of the preceding Financial year.

(2) In case of a wholly owned subsidiary, the ¹⁵[resolution] passed by the holding company shall be sufficient for the purpose of entering into the transactions between the wholly owned subsidiary and the holding company.

(3) The explanatory statement to be annexed to the notice of a general meeting convened pursuant to [section 101](#) shall contain the following particulars, namely:—

(a) name of the related party ;

(b) name of the director or key managerial personnel who is related, if any;

(c) nature of relationship;

(d) nature, material terms, monetary value and particulars of the contract or arrangement;

(e) any other information relevant or important for the members to take a decision on the proposed resolution.]

(2) In case of wholly owned subsidiary, the special resolution passed by the holding company shall be sufficient for the purpose of entering into the transactions between wholly owned subsidiary and holding company.

(3) The explanatory statement to be annexed to the notice of a general meeting convened pursuant to [section 101](#) shall contain the following particulars namely:-

(a) name of the related party;

-
- (b) name of the director or key managerial personnel who is related, if any;
 - (c) nature of relationship;
 - (d) nature, material terms, monetary value and particulars of the contract or arrangement;
 - (e) any other information relevant or important for the members to take a decision on the proposed resolution.

16. Register of contracts or arrangements in which directors are interested.—(1) Every company shall maintain one or more registers in Form MBP 4, and shall enter therein the particulars of—

- (a) company or companies or bodies corporate, firms or other association of individuals, in which any director has any concern or interest, as mentioned under sub-section (1) of [section 184](#):

Provided that the particulars of the company or companies or bodies corporate in which a director himself together with any other director holds two percent or less of the paid-up share capital would not be required to be entered in the register;

- (b) contracts or arrangements with a body corporate or firm or other entity as mentioned under sub-section (2) of [section 184](#), in which any director is, directly or indirectly, concerned or interested; and

- (c) contracts or arrangements with a related party with respect to transactions to which [section 188](#) applies.

(2) The entries in the register shall be made at once, whenever there is a cause to make entry, in chronological order and shall be authenticated by the company secretary of the company or by any other person authorised by the Board for the purpose.

(3) The register shall be kept at the registered office of the company and the register shall be preserved permanently and shall be kept in the custody of the company secretary of the company or any other person authorised by the Board for the purpose.

(4) The company shall provide extracts from such register to a member of the company on his request, within seven days from the date on which such request is made upon the payment of such fee as may be specified in the articles of the

company but not exceeding ten rupees per page.

17. Payment to director for loss of office, etc. in connection with transfer of undertaking, property or shares.— (1) No director of a company shall receive any payment by way of compensation in connection with any event mentioned in sub-section (1) of [section 191](#) unless the following particulars are disclosed to the members of the company and they pass a resolution at a general meeting approving the payment of such amount —

- (a) name of the director;
- (b) amount proposed to be paid;
- (c) event due to which compensation become payable;
- (d) date of Board meeting recommending such payment;
- (e) basis for the amount determined;
- (f) reason or justification for the payment;
- (g) manner of payment – whether payable in cash or otherwise and how;
- (h) sources of payment; and
- (i) any other relevant particulars as the Board may think fit.

(2) Any payment made by a company by way of compensation for the loss of office or as a consideration for retirement from office or in connection with such loss or retirement, to a managing director or whole time director or manager of the company shall not exceed the limit as set out under [section 202](#).

(3) No payment shall be made to the managing director or whole time director or manager of the company by way of compensation for the loss of office or as consideration for retirement from office (other than notice pay and statutory payments in accordance with the terms of appointment of such director or manager, as applicable) or in connection with such loss or retirement if —

- (a) the company is in default in repayment of public deposits or payment of interest thereon;
 - (b) the company is in default in redemption of debentures or payment of interest thereon;
-

(c) the company is in default in repayment of any liability, secured or unsecured, payable to any bank, public financial institution or any other financial institution;

(d) the company is in default in payment of any dues towards income tax, VAT, excise duty, service tax or any other tax or duty, by whatever name called, payable to the Central Government or any State Government, statutory authority or local authority (other than in cases where the company has disputed the liability to pay such dues);

(e) there are outstanding statutory dues to the employees or workmen of the company which have not been paid by the company (other than in cases where the company has disputed the liability to pay such dues); and

(f) the company has not paid dividend on preference shares or not redeemed preference shares on due date.

Explanation : Pending notification of sub-section (1) of [section 247](#) of the Act and finalisation of qualifications and experience of valuers, valuation of stocks, shares, debentures, securities etc. will be conducted by an independent merchant banker who is registered with the Securities and Exchange Board of India or an independent chartered accountant in practice having a minimum experience of ten years.

**[F. No. 1/32/2013-CL-V]
RENUKA KUMAR, Jt. Secy.**

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References:

1. Last amendment on 03.11.2025[[□](#)]
2. Substituted by the Companies (Meetings of Board and its Powers) Second Amendment Rules, 2017 vide Notification No. G.S.R. 880(E) dated 13th July, 2017, w.e.f. 13.07.2017, for the clause:

“(e) The director, who desire, to participate may intimate his intention of participation through the electronic mode at the beginning of the calendar year and such declaration shall be valid for one calendar year.”.[[□](#)]

3. Omitted by the Companies (Meetings of Board and its Powers) Second Amendment Rules, 2014 vide Notification No. G.S.R. 590(E) dated 14th August, 2014 , w.e.f. 14.08.2014, the words “, *which shall be in India*,”.[[□](#)]
4. Inserted by the Companies (Meetings of Board and its Powers) Second Amendment Rules, 2017 vide Notification No. G.S.R. 880(E) dated 13th July, 2017, w.e.f. 13.07.2017.[[□](#)]
5. Omitted by the Companies (Meetings of Board and its Powers) Amendment Rules, 2021 vide Notification No. G.S.R. 409(E) dated 15th June, 2021, w.e.f. 15.06.2021. Prior to omission, the rule stood as under:

“4. Matters not to be dealt with in a meeting through video conferencing or other audio visual means.– ^{*1}[(1)] ^{*2}[The] following matters shall not be dealt with in any meeting held through video conferencing or other audio visual means.-

(i) the approval of the annual financial statements;

(ii) the approval of the Board’s report;

(iii) the approval of the prospectus;

(iv) the Audit Committee Meetings for ^{*3}[consideration of financial statement including consolidated financial statement, if any, to be approved by the Board under sub-section (1) of [section 134](#) of the Act]; and

(v) the approval of the matter relating to amalgamation, merger, demerger, acquisition and takeover.

^{*4}[Provided that where there is quorum in a meeting through physical presence of directors, any other director may participate through video conferencing or other audio visual means.]

^{*5}[(2) For the period beginning from the commencement of the Companies (Meetings of Board and its Powers) Amendment Rules, 2020 and ending on the ^{*6}[^{*7}[^{*8}[30th June, 2021]]], the meetings on matters referred to in sub-rule (1) may be held through video conferencing or other audio visual means in accordance with rule 3.]

Reference:

**1. Renumbered by the Companies (Meetings of Board and its Powers) Amendment Rules, 2020 vide Notification No. G.S.R. 186(E) dated 19th March, 2020, w.e.f. 19.03.2020.*

**2. Substituted by the Companies (Meetings of Board and its Powers) Second Amendment Rules, 2014 vide Notification No. G.S.R. 590(E) dated 14th August, 2014, w.e.f. 14.08.2014, for the words “(1) The”.*

**3. Substituted by the Companies (Meetings of Board and its Powers) Second Amendment Rules, 2014 vide Notification No. G.S.R. 590(E) dated 14th August, 2014, w.e.f. 14.08.2014, for the words “consideration of accounts”.*

**4. Inserted by the Companies (Meetings of Board and its Powers) Amendment Rules, 2018 vide Notification No. G.S.R. 429 (E) dated 7th May, 2018, w.e.f. 07.05.2018.*

**5. Inserted by the Companies (Meetings of Board and its Powers) Amendment Rules, 2020 vide Notification No. G.S.R. 186(E) dated 19th March, 2020, w.e.f. 19.03.2020.*

**6. Substituted by d the Companies (Meetings of Board and its Powers) Second Amendment Rules, 2020 vide Notification No. G.S.R. 395(E) dated 23rd June, 2020, w.e.f. 23.06.2020, for the words “30th June, 2020”.*

**7. Substituted by d the Companies (Meetings of Board and its Powers) Third Amendment Rules, 2020 vide Notification No. G.S.R. 590(E) dated 28th September, 2020, w.e.f. 28.09.2020, for the words “30th September, 2020”.*

**8. Substituted by the Companies (Meetings of Board and its Powers) Fourth Amendment Rules, 2020 vide Notification No. G.S.R. 806(E) dated 30th December, 2020, w.e.f. 30.12.2020, for the words “31st December, 2020”.*.[[□](#)]

6. Substituted by the Companies (Meetings of Board and its Powers) Second Amendment Rules, 2017 vide Notification No. G.S.R. 880(E) dated 13th July, 2017, w.e.f. 13.07.2017. Prior to substitution, the rule stood as under:

“6. Committees of the Board.-The Board of directors of every listed companies and the following classes of companies shall constitute an Audit Committee and a Nomination and Remuneration Committee of the Board-

- (i) all public companies with a paid up capital of ten crore rupees or more;
- (ii) all public companies having turnover of one hundred crore rupees or more;
- (iii) all public companies, having in aggregate, outstanding loans or borrowings or debentures or deposits exceeding fifty crore rupees or more.

Explanation.- The paid up share capital or turnover or outstanding loans, or borrowings or debentures or deposits, as the case may be, as existing on the date of last audited Financial Statements shall be taken into account for the purposes of this rule.

**[Provided that public companies covered under this rule which were not required to constitute Audit Committee under section 292A of the Companies Act, 1956 (1 of 1956) shall constitute their Audit Committee within one year from the commencement of these rules or appointment of independent directors by them, whichever is earlier:*

Provided further that public companies covered under this rule shall constitute their Nomination and Remuneration Committee within one year from the commencement of these rules or appointment of independent directors by them, whichever is earlier.]

**Inserted by the Companies (Meetings and Powers of Board) Amendment Rules, 2014 vide Notification No. G.S.R. 398(E) dated 12th June, 2014, w.e.f.*

12.06.2014.”.[[□](#)]

7. Substituted by the Companies (Meetings of Board and its Powers) Amendment Rules, 2018 vide Notification No. G.S.R. 429 (E) dated 7th May, 2018, w.e.f. 07.05.2018, for the words “*every listed company*”.[[□](#)]
 8. Inserted by the Companies (Meetings of Board and its Powers) Second Amendment Rules, 2015 vide Notification No. G.S.R. 971(E) dated 14th December, 2015, w.e.f. 14.12.2015.[[□](#)]
 9. Omitted by the Companies (Meetings and Powers of Board) Amendment Rules, 2014 vide Notification No. G.S.R. 206(E) dated 18th March, 2015, w.e.f. 18.03.2015. Omitted item as under: “(3) to take note of appointment(s) or removal(s) of one level below the Key Management Personnel;”.[[□](#)]
 10. Omitted by the Companies (Meetings and Powers of Board) Amendment Rules, 2014 vide Notification No. G.S.R. 206(E) dated 18th March, 2015, w.e.f. 18.03.2015. Omitted items as under:
 - “(5) to take note of the disclosure of director’s interest and shareholding;
 - (6) to buy, sell investments held by the company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investee company;
 - (7) to invite or accept or renew public deposits and related matters;
 - (8) to review or change the terms and conditions of public deposit;
 - (9) to approve quarterly, half yearly and annual financial statements or financial results as the case may be.”[[□](#)]
 11. Omitted by the Companies (Meetings of Board and its Powers) Second Amendment Rules, 2015 vide Notification No. G.S.R. 971(E) dated 14th December, 2015, w.e.f. 14.12.2015. Prior to omission, the rule stood as under:
 - “10. Loans to Director etc. under section 185.–** (1) Any loan made by a holding company to its wholly owned subsidiary company or any guarantee given or security provided by a holding company in respect of any loan made to its wholly owned subsidiary company is exempted from the requirements under this section; and
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(2) Any guarantee given or security provided by a holding company in respect of loan made by any bank or financial institution to its subsidiary company is exempted from the requirements under this section:

Provided that such loans made under sub-rule (1) and (2) are utilised by the subsidiary company for its *[principal] business activities.”

*Substituted by the Companies (Meetings and Powers of Board) Amendment Rules, 2014 vide Notification No. G.S.R. 206(E) dated 18th March, 2015, w.e.f. 18.03.2015, for the words “principle”.[[□](#)]

12. Substituted by the Companies (Meetings of Board and its Powers) Amendment Rules, 2025 vide Notification No. G.S.R. 811(E) dated 3rd November, 2025, w.e.f. 03.11.2025, for the sub-rule (2):

“(2) For the purposes of clause (a) of sub-section (11) of [section 186](#), the expression “*[business of financing industrial enterprises]” shall include, with regard to a Non-Banking Financial Company registered with the Reserve Bank of India, “business of giving of any loan to a person or providing any guaranty or security for due repayment of any loan availed by any person in the ordinary course of its business”.”.

*Substituted by the Companies (Meetings of Board and its Powers) Amendment Rules, 2019 vide Notification No. G.S.R. 777(E) dated 11th October, 2019 , w.e.f. 11.10.2019, for the words “*business of financing of companies*”.[[□](#)]

13. Substituted by the Companies (Meetings of Board and its Powers) Amendment Rules, 2018 vide Notification No. G.S.R. 429 (E) dated 7th May, 2018, w.e.f. 07.05.2018, for the rule:

“13. Special Resolution.-(1) Where the aggregate of the loans and investment so far made, the amount for which guarantee or security so far provided to or in all other bodies corporate along with the investment, loan, guarantee or security proposed to be made or given by the Board, exceed the limits specified under [section 186](#), no investment or loan shall be made or guarantee shall be given or security shall be provided unless previously authorised by a special resolution passed in a general meeting.

Explanation.-For the purpose of this sub-rule, it is clarified that it would sufficient compliance if such special resolution is passed within one year

from the date of notification of this section.

(2) A resolution passed at a general meeting in terms of sub-section (3) of [section 186](#) to give any loan or guarantee or investment or providing any security or the acquisition under sub section (2) of [section 186](#) shall specify the total amount up to which the Board of Directors are authorised to give such loan or guarantee, to provide such security or make such acquisition:

Provided, that the company shall disclose to the members in the financial statement the full particulars in accordance with the provision of sub-section (4) of [section 186](#).”.[]

14. Substituted by the Companies (Meetings of Board and its Powers) Second Amendment Rules, 2014 vide Notification No. G.S.R. 590(E) dated 14th August, 2014, w.e.f. 14.08.2014, for the sub-rule:

“(3) For the purposes of first proviso to sub-section (1) of [section 188](#), except with the prior approval of the company by a special resolution-

(i) a company having a paid-up share capital of ten crore rupees or more shall not enter into a contract or arrangement with any related party; or

(ii) a company shall not enter into a transaction or transactions, where the transaction or transactions to be entered into—

(a) as contracts or arrangements with respect to clauses (a) to (e) of sub-section (1) of [section 188](#) with criteria, as mentioned below—

(i) sale, purchase or supply of any goods or materials directly or through appointment of agents exceeding twenty five percent.of the annual turnover as mentioned in clause (a) and clause (e) respectively of sub-section (1) of [section 188](#);

(ii) selling or otherwise disposing of, or buying, property of any kind directly or through appointment of agents exceeding ten percent of net worth as mentioned in clause (b) and clause (e) respectively of sub-section (1) of [section 188](#);

(iii) leasing of property of any kind exceeding ten percent of the net worth or exceeding ten percent of turnover as mentioned in

clause (c) of sub-section (1) of [section 188](#);

(iv) availing or rendering of any services directly or through appointment of agents exceeding ten percent of the net worth as mentioned in clause (d) and clause (e) of sub-section (1) of [section 188](#);

(b) appointment to any office or place of profit in the company, its subsidiary company or associate company at a monthly remuneration exceeding two and half lakh rupees as mentioned in clause (f) of sub-section (1) of [section 188](#); or

(c) remuneration for underwriting the subscription of any securities or derivatives thereof of the company exceeding one percent of the net worth as mentioned in clause (g) of sub-section (1) of [section 188](#).

Explanation.– (1) The Turnover or Net Worth referred in the above sub-rules shall be on the basis of the Audited Financial Statement of the preceding Financial year.”[[□](#)]

15. Substituted by the Companies (Meetings of Board and its Powers) Second Amendment Rules, 2015 vide Notification No. G.S.R. 971(E) dated 14th December, 2015, w.e.f. 14.12.2015., for the words “*special resolution*”.[[□](#)][[□](#)]
 16. Substituted by the Companies (Meetings of Board and its Powers) Amendment Rules, 2017 vide Notification No. G.S.R. 309(E) dated 30th March, 2017, w.e.f. 30.03.2017, for the words “*exceeding ten per cent.*”.[[□](#)][[□](#)]
 17. Omitted by the Companies (Meetings of Board and its Powers) Second Amendment Rules, 2019 vide Notification No. G.S.R. 857(E) dated 18th November, 2019, w.e.f. 18.11.2019, the words “*or rupees one hundred crore, whichever is lower*”.[[□](#)][[□](#)]
 18. Substituted by the Companies (Meetings of Board and its Powers) Amendment Rules, 2017 vide Notification No. G.S.R. 309(E) dated 30th March, 2017, w.e.f. 30.03.2017, for the words “*exceeding ten per cent.*”.[[□](#)][[□](#)]
 19. Substituted by the Companies (Meetings of Board and its Powers) Amendment Rules, 2017 vide Notification No. G.S.R. 309(E) dated 30th March, 2017, w.e.f. 30.03.2017, the words “*amounting to ten per cent. or more*” for the words “*exceeding ten per cent.*” and the words “*ten per cent. or more of turnover*” for words “*ten per cent. of turnover*”.[[□](#)]
 20. Omitted by the Companies (Meetings of Board and its Powers) Second Amendment Rules, 2019 vide Notification No. G.S.R. 857(E) dated 18th
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November, 2019, w.e.f. 18.11.2019, the words “[*amounting to ten per cent. or more*] of the net worth of the company or [*ten per cent. or more of turnover*] of the company or rupees one hundred crore, whichever is lower“.[[□](#)]

21. Omitted by the Companies (Meetings of Board and its Powers) Second Amendment Rules, 2019 vide Notification No. G.S.R. 857(E) dated 18th November, 2019, w.e.f. 18.11.2019, the words “*or rupees fifty crore, whichever is lower*“.[[□](#)]